

BELMONT WARRANT COMMITTEE FY08 MEETING MINUTES
FINAL
MARCH 12, 2008, 7:30 P.M.
HOMER BUILDING GALLERY

Present: Chair Curtis; Members Allison, Brusch, Callanan, Heigham, Hofmann, Jones, Lynch, Oates, Paolillo, White; BOS Chair Firenze; School Committee Chair Bowe

Town Treasurer Carman; Town Accountant Hagg, Town Administrator Younger, Assistant Town Administrator Conti

Absent Members: Epstein, McLaughlin, and Widmer

The meeting was called to order at 7:32 pm by Chair Curtis. Chair Curtis began the meeting by turning the WC's attention to subcommittee reports.

Subcommittee Reports: Public Works

Member Oates: The departmental objectives for Public Works are similar to last year, and include: long-term planning for the pool and ice rink (which remain concerns), training with the existing software systems (GIS) that are now in place, and the fact that additional staff cannot be cut. If there are less funds, either programs will be cut or the town will wait longer for what needs to be done (e.g. cleaning storm drains, etc.) If the decision is made to close the pool, a reasonable amount of money will be saved. Cemetery cuts would eliminate part time staff. The first allotment (\$714K) has been received to replace unlined water mains installed prior to 1928.

Member Oates concluded her overview by posing the question: Should we revisit the trash fee system and, more specifically, should we pay as we go? Member Brusch reminded the committee that the town had an override in 1990 which was for the express purpose of funding trash collection rather than go to a fee-based system. This is similar to the override in 2001 where \$1 million was committed yearly to roads. If we were now to go to a trash fee system, we might also then consider doing an underride to take away that \$2.1 million from the tax rolls, since that is the purpose for which it was voted. (An underride is similar to an override except that one decreases the levy limit). She also noted that the override for trash collection was for \$2.1 million in 1990 and the total cost today is only another \$500,000 so it's not as if the cost of the collection has increased dramatically.

Chair Curtis noted that, regarding town-side cuts, more than half of those cuts come out of Mr. Castinino's (DPW) budget. Chair Firenze noted that there exists a proposal for a subcontractor to do yard-waste management work at the incinerator in town. This could potentially save the Department money. Regarding the pool, member Allison noted that while people do support the pool, it would require a very ambitious fundraising program. Member Jones added that there is no quick fix for the pool and that "if it breaks, it ought to be closed." The filtration system is old, out of date, and near impossible to repair, he added. Assistant Town Administrator Conti informed the WC that Member Heigham had provided information and a legal opinion regarding the pool and that Town Council was in the process of reviewing both. Conti added that the committee looking at whether or not to recommend adopting the Community Preservation Act (CPA) have noted that the swimming pool could be a very good use of those funds.

Buildings

Member Jones: Contract costs are going up (oil, gas, electricity) and the question must be asked: Why do we own so much building space? The town will have added 40,000 more square feet after the Senior Center, while the Municipal Light building is being used for storage only, and the Benton branch library is only opened 5 hours a week. How many buildings do we need, he asked? Jones added that he has yet to see the operating cost estimates for the new Senior Center. Member Brusch added that Kevin Looney has been asking for that information from the building committee - in writing and verbally - for quite a while.

Member Jones: Building costs (lighting, heating and cooling) are seen as "free." If these costs could be allocated back out to departments, it would give these departments some fiscal accountability for these items. Community Development

Member Jones: This department provides important services and there are not many places to cut. We could take away inspections and planning services, but these have an impact on

economic growth and so it may not be wise to do so. With more money (\$50K), Community Development may want to adopt the planning recommendation of "Form Based Zoning" which would require a zoning overhaul of the entire town. This could generate revenues for the town. BOS Chair Firenze likened it to the Cushing Village overlay proposal, which would require money upfront, but had the potential for significant revenues for the town. Jones noted that we are not maintaining our buildings now, how can we be sure that new buildings such as the new Wellington will be taken care of? Member Bruschi responded: The 10-year-old Chenery looks like new. The MSBA requires that buildings be maintained, she added. In fact, all the elementary schools are in good shape, considering their age, Bruschi said.

Subcommittee Reports: Public Safety

Member Paolillo: Staffing remains an issue for the Police Department. Injuries, transfers, and retirements of staff continue to be a major policy and financial issue. 48 officers are budgeted for FY09. The Chief anticipates two possible retirements, as well. The FY09 budget is up 7.7% - mostly due to personnel costs/wages. (Noted that 7.7% is a 2-year increase - in collective bargaining years, the potential salary increases are not in the salary line, but in another line item until the wage increase is determined; this can make it seem like a large wage increase in one year, when, in fact, it is just a movement of the contractual allowance into the wage line.) A decrease in the budget will result in the elimination of personnel. There is an ongoing review of the regionalization and collaboration opportunities with other communities for the delivery of services, such as 911 dispatches.

Regarding the Fire Department, Paolillo continued, their budget is mainly based on the need for fire suppression. There are ongoing discussions about this, it's a difficult budgeting practice. Most of the actual calls for the Fire Department are medical, but if they just budgeted to meet the medical needs they would not have the staff or equipment to fight a fire. He also noted that the department supports regionalizing with regard to medical transport. There is currently an Advanced Life Support study underway by the Warrant Committee - Member Allison and Member Paolillo serve on this committee. Responding to an inquiry from BOS Chair Firenze, Member Allison agreed that the WC could see the outline of the full study in May before it is begun (the committee's charge already included a presentation of the work plan to the Selectmen in May).

Member Hofmann asked if the "pull boxes" are owned by the town (yes) and if, since almost everyone has a cell phone - would money be saved if those were removed? Assistant Town Administrator Conti offered that there were significant costs associated with removing them. Clay Pit Pond - Reserve Fund Transfer

Town Administrator Younger: Back in December (2007) diesel fuel was discharged into Clay Pit Pond. The Fire Department responded to a call that reported the odor of the fuel. The State was pleased with how the Fire Department was clearing the site. Neither the Town nor the State could trace the origins of this spill.

Chair Curtis, noting that there is \$557,420 in the WC reserve fund, moved that the transfer request of \$18,796.70 be granted.

The motion was unanimously approved.

Continued Discussion of FY09 Budget

Chair Curtis: There is a gap of \$454K on the school side (which assumes \$350K in savings on the town side). This \$454K deficit assumes some savings in medical insurance as well as spending more of the LABBB credits. The WC last week heard Mr. Stratford's \$4.5M override sequence proposal. The BOS (and WC) hopes to close the gap in schools from \$454K to zero. If that process goes successfully, another credible proposal would then be to have no operating override this year, with the understanding that we will need one next year for FY10.

Mr. Stratford then approached the WC table and distributed a simplified spreadsheet that gave a 3-year total of the tax burden on an "average" Belmont homeowner resulting from the three ballot questions - roads, operating, Wellington - depending on their sequencing. Costs in the spreadsheet were taken from information given by Treasurer Carman at the March 5 WC meeting.

One sequence (currently favored by the Warrant Committee) proposes a \$2.5M roads override for FY09, a Wellington debt exclusion, and an operating override of \$4.5M for FY10. Its estimated 3-year cost (excluding annual increases already allowed under Prop. 2-1/2, and not estimating the "time value of money") was \$3,045.

A second sequence (suggested by the School Committee) proposes a \$4.5M operating override for FY09, a Wellington debt exclusion, and a \$2.5M roads override for FY10. This proposal recommends funding \$2.5M in roads for FY09 from this year's non-recurring funds (free cash and Assessor overlay surpluses), and dedicating only \$3M of the operating override to the FY09 budget (the remaining \$1.5M going to the backlog of Capital Budget items), with \$3.75M going to operating in FY10 (\$750K to backlogged Capital Budget items) and \$4.5M going to operating in FY11. The estimated 3-year cost of the this proposal is \$3,335.

Mr. Stratford also provided a third sequence, which he called "The Third Way", based on a suggestion from Member Bruschi at the March 5 WC meeting, in which a \$4.5M operating override could be placed before the voters this Spring, but that only \$3.0M be applied to the FY09 budget and the surplus levy limit capacity be unspent until FY10 (\$3.75M for operating) and FY11 (\$4.5M for operating), with no reduction in the backlog of Capital Budget items in either FY09 or FY10. This proposal also assumed a Wellington debt exclusion and a roads override for FY10. The estimated 3-year cost of this proposal is \$3,009 - which appears to be the least expensive option for voters.

Chair Curtis: "Assuming we can reduce the \$454K gap down to zero (or close to zero), I see no compelling argument with which to go to the voters now for an operating override request." An operating override request would need to be "earned from voters" to have a unified BOS and a unified WC (and SC) behind it. We must be able to show the voters what we will be forced to do without. We would need to show the pain on all sides.

Member Paolillo: There is a need to look out over multiple years; there is merit in the sequencing approach inherent in the proposal - which encompasses a 3-5 year time frame, with financial forecasting. Member White: A debt exclusion and 2 overrides in next 2 years results in a large tax increase - in the 29-32% range. We'll have to have tried to minimize (this tax increase) to the extent that we can by demonstrating fiscal prudence. I'm also concerned that \$4.5M doesn't cover us for 3 years out.

Member Allison noted that the proposal offered by School Committee member Stratford did not take into account the time value of money, and this omission raises the relative cost of Alternative 2. She further offered that the case for the roads has been made clear and people know what they will be getting for their money. She also agreed with Member White that the proposed operating override isn't large enough to accomplish the stated goals. Many members of the WC then expressed their belief that, in addition to the fact that the WC previously endorsed a roads override, a roads override is simple, clear, and offers all the voters something tangible. It allows the voters to express a view on the state of the pavement in their town, Chair Curtis said.

Member Paolillo: It is my sense that the people in this town have concerns other than the roads - operating first, then roads, may be the politically right approach. Member Lynch: If that gap (\$454K) isn't significantly reduced, the roads will be at risk of failing. A long-term plan needs to be in place.

From the audience: Town Meeting member Paul Roberts: The roads do constitute a safety issue, but regarding pain - there were about 250 parents at the March 1 BOS meeting who expressed "pain" as a result of these (school) cuts. A long-term plan (such as Mr. Stratford's) would be comforting to parents. Kimberly Becker expressed that she has learned a lot by attending meetings, but remains really scared that next spring, people may not get all that is at stake in passing the operating override. Todd Shotsky [?] articulated that the override order has an impact on the outcome. If the operating override is positioned last, this will certainly affect its

outcome. We must make clear that there is a plan, that there are three decisions coming down the line.

Chair Firenze: Do we need an override? Yes. The town is deficit spending and this structure must be changed. If not, there will be painful cuts in services. Should we have an override? Possibly. At the right amount, and we're going to need a substantial one. Must we have an override? No. We can get through this year, and by doing so we will show voters that we can be responsible with their money. I believe we will get through without major pain. I am convinced we can identify the money without affecting a widely respected music program, teachers, textbooks, and library aids. I would like to get through this year and build confidence among voters that their leaders are making responsible fiscal decisions. Reserve Fund Transfer - Homer Building stairs

Assistant Town Administrator Conti: The \$79,909 reserve fund request is for the purpose of repairing the Homer Building stairs, both front and back. The stairs do not meet building code regulations. This issue came to the Town Administrator's attention as a result of a lawsuit.

Chair Curtis motioned: To approve the reserve fund transfer request of \$79,909 to repair the Homer Building stairs.

The motion was unanimously approved.

Member Heigham moved that the WC adjourn at 9:44 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary